

BBEDC

4th Quarter Report 2005

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QUARTERLY HIGHLIGHTS

4th Quarter 2005

Bristol Bay Regional Seafood Development Association

- A final timeline was researched and developed to assure that the organization complies with all laws and regulations pertaining to the assessment election. A public meeting was held in Seattle on November 18 during the Pacific Marine Expo. Additional meetings are scheduled in Bristol Bay and elsewhere in 2006.
- Driftnet permit holders will vote in May 2006 (pushed forward from March) on whether they want to assess themselves a 1% tax to fund the RSDA.
- Bristol Bay setnet permit holders are showing an interest in joining the RSDA and holding an assessment election.
- A comprehensive website was created to inform permit holders about the RSDA. The URL is <http://www.bbrsda.com/>
- A mailing was sent to all drift net permit holders. Ads were placed in the (Bristol Bay) Bay Times and notices posted on bulletin boards in most communities. Many recipients called or emailed comments.

Bristol Bay Wild

- Three processors participated in the 2005 program which featured a regional quality assurance and marketing program.
- Third party inspectors were in each of the three plants from mid-June to the end of August.
- The program attracted attention from several media outlets: Anchorage Daily News, Bay Times, KDLG, Laine Welch, Alaska Public Radio Network, the Alaska Fishermen's Journal, the Alaska Journal of Commerce and others.
- The program certified over 5 million lbs of Bristol Bay salmon (catch weight) harvested by 70 fishermen in 2005.
- Printed materials were created in support of the program including: a Handling Practices booklet, a four-color popular-consumption brochure describing the program and other various promotional materials.

Bristol Bay Fish Company

- The 2005 program bought, processed and sold 23,000 lbs of raw product.
- The two projects ran simultaneously. The first one included 20,000 lbs of Bristol Bay Wild certified product, sold through a large national retail chain. The second project was a joint venture with a seafood distributor to create and sell fresh sockeye fillets.
- Excellent real-world lessons were learned which will help start-up businesses in Bristol Bay through the often lethal learning curve and give them a greater chance of success. Details of the program are available to anyone interested in knowing more about the reality of running a small processing or marketing company.

Ice Infrastructure

- A meeting in the early 4th quarter was held to discuss forming an ice coalition with several processors.
- A general contractor was selected to oversee the construction of a new floating ice facility.

Employment and Training:

- Twenty Two Bristol Bay area residents in 2005 received their GED through funding provided by BBEDC.
- One BBEDC resident was promoted to a lead position with U.S. Seafoods.
- BBEDC area residents earned record wages working for American Seafoods, U.S. Seafoods, Bristol Leader, and Kaldestad Fisheries in 2005 with the highest wage ever recorded by BBEDC of \$68,000 (one individual) for the year.
- One BBEDC resident completed a youth internship with the USF&W and was hired as a part-time seasonal employee.
- BBEDC residents earned approximately \$1,400,000 in wages with industry partners in 2005.
- BBEDC had its first recipients take part in the Student Loan Forgiveness Program
- BBEDC staff visited most of the CDQ communities in 2005. In addition New Stuyahok and Koliganek were visited by the in-region recruiter, to make employment opportunities with partner companies available.

Harvey Samuelsen Scholarship:

- Awarded a total of 83 scholarships for the 2005-2006 academic year totaling \$513,614
- Traveled to UAA and UAF to meet with scholarship recipients.
- Gave scholarship presentations at Dillingham, Togiak, Manokotak, and Bristol Bay high schools.
- Actively monitored scholarship recipients for academic progress.

Salmon Camp:

- A total of 20 students attended our Bristol Bay Salmon Camp. Students from Dillingham, Levelock, Pedro Bay, Egegik, Igiugig, Pedro Bay, Perryville, Aleknagik, and Chignik Lake attended.
- Camp participants prepared and gave PowerPoint presentations “on what they learned at Salmon Camp” to community members. The sessions were well attended and enjoyed by all.
- Applied for and received an \$8,000 grant from the USFWS (Togiak National Wildlife Refuge)

The 2005 Bristol Bay Salmon Camp was a great success. Students participated in many different hands-on and classroom activities in limnology, fisheries research and management. Students experienced working alongside professional biologists and were able to interact with them a personal level and gave them an appreciation of Alaska coastal environments/watersheds and the management of these resources.

High School Higher Education Program:

- Awarded a total of 32 students for a total of \$6,432

College Development Fund:

- Awarded 45 residents for a total of \$28,565

Student Loan Forgiveness Program:

Enrolled 4 participants in this program and assisted them with the repayment of their student loans. A total of \$2,735 was paid back in student loans

2006 Budget

The 2006 budget was approved by the NMFS on December 28th.

S&P Fund Liquidated

We completed the liquidation of the S&P 500 Indexed Fund and re-investment of the monies into two separately managed domestic equity funds.

Insurance Renewals

We began the annual process of reviewing our insurance coverage and renewing our policies.

Staff Development

The Chief Financial Officer attended a two day Not-For-Profit conference in Seattle and taught a course in Payroll Accounting at the Bristol Bay Campus of the UAF.

Financing Options

We continue to evaluate proposals from financial institutions to ensure that capital will be available for future Seafood Industry investments should the opportunities avail themselves.

Accounting Staff Change

Our Accounting Department Manager accepted a position with another regional entity. We were fortunate to rehire our former Accounting Department Manager.

State Proposed Regulation Changes

We provided the governor's office with our comments on the proposed regulation changes.

Blue Ribbon Commission

We provided the Blue Ribbon Commission with a four inch stack of financial information and our CFO made the grueling trip into Anchorage to review this information with Kurt Martens.

Bristol Bay Permit Brokerage

Facilitated the permanent transfer of 1 permit to a regional resident.

- Facilitated the closing of 2 boat sales.
- Completing transactions that were begun during the summer for permit leases.
- Communicated with processors to explore ways to assure that lease agreements find their way into the hands of the processor to assure that they are honored.

- Have 3 set-net permits listed for sale. Prices range from \$15,000 to \$17,500.
- Have 2 boats listed for sale. Prices range from \$18,000 to negotiable.
- Have no drift net permits listed for sale.
- Working with CFEC on a date to travel to Juneau for much needed training.
- Initiated an information email to publicize items for sale and to remind fishers of important dates. We expect to piggy-back this on a regular email to Liaisons and their Supervisors.

Grant Activity Reports

- Prepared and submitted quarterly grant reports as required.
- Monitored availability of potential grants for fisheries programs, Salmon Camp, and other fisheries related programs.
- Received and worked on EDA information packet to allow BBEDC to make “Request for Payments” for costs associated with our EDA grant. Continue to work on a formalized timeline for each budget element of the EDA grant. Did work with the new Regional Fisheries Coordinator to complete the project.
- Monitored progress on the DCED Chilling grant that will help pay for a new ice barge.
- Research continues on what is required by the Division of Environmental Health for permitting the region’s Ice Machines, and ensuring operations for the 2006 season.
- Provided support to Regional Fisheries Program in the absence of the Regional Fish Director.

Regional Fisheries Issues (overview)

The year 2005 ended with a continued commitment to make ice available on the fishing grounds and recognition of how it is a major link between improving quality and generating higher ex-vessel prices. The two major initiatives for the 2006 season are to get the ice barge (stored in South Naknek) back into the water and to purchase a second vessel for use as an ice barge elsewhere in the Bay. Both of these projects have been difficult to achieve because of the significant purchase and operational costs involved and the reluctance of industry partners to come forward and help with the financial burden.

As January 2006 was coming to a close a barge had been purchased and was awaiting the installation of ice making equipment and other upgrades in preparation for being towed to Bristol Bay for the upcoming season. An industry partner had agreed in principle to working with BBEDC to lease the barge and use it for making ice and onboard storage of nets and other fishing equipment.

Among further objectives is the ongoing process of outfitting individual vessels with slush bags, totes and fish hold insulation. The following narrative will explain the programs in more detail.

Generally speaking, the 2005 program met its preseason expectations. Bristol Bay Fish Company manager Bob Waldrop spent a good part of his summer in Naknek near the fishing grounds and the processing plants overseeing the Bristol Bay Wild Salmon and Bristol Bay Fish Company operations. Working in tandem with a seafood inspection service, he was able to

successfully recruit nearly 70 set and drift fishermen to work with the Bristol Bay Wild program. The end result was over five million pounds of salmon product that went to market carrying the Bristol Bay Wild certificate.

Regional Seafood Development Association

A significant boost to improve seafood quality came when the State accepted the initial charter for granted the approval of a Regional Seafood Development Association in Bristol Bay. Approved in June 2005, the application was the second in the state to be granted since the RSDA program was established by the legislature and regulations enacted in 2004.

The RSDA will enable regional Bristol Bay drift net permit holders to form a self-directing entity governed by Alaska statutes and to assess themselves a tax for the direct purpose of promoting seafood products harvested in the region. Bristol Bay set net fishermen will also be asked at a later date to join the Association. Ballots will be mailed to drift fishermen next spring allowing them to vote on whether they want to tax themselves a 1% assessment on the value of their harvest. The assessment will generate a projected \$1 million or more on behalf of marketing, infrastructure, and product-development of Bristol Bay salmon products.

As part of the continuing effort to educate fishermen about the benefits of participating in an RSDA, a comprehensive website was developed www.bbrsda.com. A mail out has been sent to all Bristol Bay drift permit holders in Alaska and elsewhere describing the features involved in the upcoming election, which has been moved back from March to May 2006 to enable fishermen more time to consider the issue. Ads were also placed in the Bristol Bay Times and notices posted on bulletin boards in local communities.

A public meeting was held at the upcoming "Seattle Fish Expo" on November 18. There were approximately 80 fishermen in attendance asking questions about the benefits and costs of forming an RSDA. A number of presentations are scheduled to take place at local fish and game advisory committee meetings in Bristol Bay, in Kodiak, and elsewhere.

Bristol Bay Wild Salmon (certification program)

Bristol Bay Wild Salmon was formed in 2004 to provide fishermen and processors with the opportunity to use the Bristol Bay Wild Salmon logo as a certificate of quality. In order to participate in the program, fishermen and processors are required to attend a short training session conducted by BBEDC to learn about the specific handling processes required. Upon certification, both parties are eligible to work together in a partnership capacity whereby the fisherman is motivated to produce a better product in order to receive a higher ex-vessel price by the processor. BBEDC does not provide funding beyond the money involved in managing the program and providing of training services.

The 2006 budget has been increased substantially towards the effort of buying and marketing more salmon products during the upcoming summer. It also provides for the employment of three seafood inspectors versus one in the past year. BBEDC is working to recruit local individuals to be trained as inspectors who may also use the opportunity to establish their own seafood inspection business.

As the 2005 season concluded over five million pounds of Bristol Bay salmon product was certified with 70 fishermen as participants. Printed material was produced to support the program, including: a Handling Practices booklet, a descriptive brochure and promotional material.

Bristol Bay Fish Company

The Bristol Bay Fish Company was formed by BBEDC as a for-profit subsidiary company in 2004 to purchase, sell, and market Bristol Bay salmon for the purpose of educating local residents on the basics of operating a successful salmon operation. As the parent organization, it is the mission of BBEDC to avoid competing with local entities by owning and operating fishing processing facilities.

Working with two different processing companies BBFC bought and sold over 23,000 pounds of product during the summer of 2005. The first project involved 20,000 pounds of frozen Bristol Bay Wild certified head-and-gutted product sold through a large national retail chain. The second project was a joint venture with a seafood distributor to create and sell fresh sockeye fillets. Details of the operations are available to any BBEDC constituent interested in learning more about the steps involved in selling and marketing Bristol Bay salmon.

Ice Infrastructure

A meeting was held in October 2005 with Bristol Bay salmon processors to discuss forming a regional ice coalition in Bristol Bay. Although the coalition itself appears unlikely, the meeting produced working agreements between BBEDC and industry partners to jointly operate an existing ice barge in Naknek in 2006 and separately, to pursue converting a separate vessel into an ice barge.

4E Halibut

Our newly hired Regional Fisheries Coordinator dedicated a good portion of his activities during the fourth quarter to familiarizing himself with the regional fisheries programs including calling and talking with the local longline to fleet to get their input on the 4E Halibut program. A fish report outlining the 2005 sub-legal and retained fish harvest was submitted to the IPHC staff in early December. The IPHC 2006 guideline harvest levels were released for public comment in December 2005 which unfortunately, included a recommendation to reduce the quota for 4E. The staff worked extensively to develop comments to the IPHC opposing the reduction on behalf of the local fleet.

Totes

Tote prices have increased substantially in recent months due to the plastic used to build them being an oil-based product. In an attempt to seek out the most economical prices in the market, staff spent considerable time talking with manufacturers about a bulk order that would allow BBEDC to capitalize on existing prices (before they increase in the future). After evaluating several offers, an initial order was placed with a Canadian manufacturer for delivery on the first

spring barge in Bristol Bay. An advertising campaign was employed in local newspaper and television outlets to alert residents of the program guidelines. By the end of 2005, nearly 100 local fishers had been approved for over 250 totes. The program will be continued into the 1st quarter with the intention of providing totes to as many resident drifters and setnetters as possible.

Slush Bags

Slush Bag orders continued to come in during the fourth quarter, although at a slower pace than in past years. Most of BBEDC's resident fishing fleet has been provided slush bags in the recent past years and most orders were from fishers in locations not previously covered. There was a small rush of orders (prior to the holidays) as one major processor announced plans to conduct a chilling bonus program in the Nushagak district for the 2006 salmon season for those vessels equipped with the slush bags. By the end of December, 30 fishers had requested approximately 120 slush bags for their vessels. Orders will continue to be taken into the New Year and optimism abounds that other major salmon processors may choose to initiate chilling bonus programs that will increase the ex-vessel values in Bristol Bay.

Fish Hold Insulation

Vessel hold insulating is another ongoing project that will allow our resident fishers to participate in chilling bonus plans with their respective salmon processors. The efficacy of placing foam insulating on the walls and bottom of fish holds has proven to be effective in maintaining a lower core temperature in raw fish product placed in the hold with ice. This in turn has a major impact on the quality and appearance of the fish when delivered to the processing tender. Insulating vessel holds also allows fishers more flexibility to retain their daily or even hourly catch until circumstances inherent in the nature of the Bay salmon fishery provide them an opportunity to off load at the processing tender. This can include the distance to the tenders given tide stage and level as well as the total volume of sockeye that often overwhelm the fleet during the peak and creates long strings of fishing vessels tied behind tenders waiting to offload their catch so they can get back out to the fishing grounds. Those vessels with hold insulation will continue to deliver a superior product and in turn lead to improved quality and increased ex vessel value to the fleet. Our Regional Fisheries Coordinator will continue to work with resident vessel owners to complete as many hold insulating projects as possible prior to the upcoming fishing season.

Community and Business Development Funds Program

BBEDC received the following applications during the 2nd quarter:

- Technical Assistance:
 - Egegik Tribal Council – assist in developing grant application for Seed and other grant sources – application approved
- Community Seed Funds:
 - Aleknagik Native Village Council – Boat storage facility –\$100,000 approved.

- Curyung Tribal Council – continue exploration of fisheries processing feasibility - pending.
- Infrastructure Matching Fund:
 - Aleknagik Native Village Council – Boat storage facility - \$272,250 - approved.

During the quarter staff also prepared various recommendations for the board to consider for the upcoming 2006 Seed and Infrastructure programs.

Community Liaison Program

As the fourth quarter here is the listing of community liaisons:

Aleknagik	Julie Ilutsik	Manokotak	Carla Moore
Clarks Point	Jessica Walker	Pilot Point	John Kalmakoff Jr.
Dillingham & Ekuk	Andrea Ruby	Portage Creek	Virginia Kapotak
Egegik	Corrine Olson	Port Heiden	Bobbi Orloff
Ekwok	Marlene Nelson	South Naknek	Karl Rawson
King Salmon	Bucko Angasan	Togiak	Martha Kvamme
Levelock	Howard Nelson	Twin Hills	Diane Abraham
Naknek	Vacant	Ugashik	Nancy Flensburg

Other tasks completed during the fourth quarter include completing a comprehensive survey of the program which was compiled into an annual report to the board to consider for the 2006 budget cycle.

The agreements between BBEDC and each community was updated for 2006 and sent it to all communities for signature. It stipulates that liaisons attend a majority of the monthly teleconferences and that each community must have a representative at the annual training session provided by BBEDC.

Bristol Bay Permit Brokerage

The following activities were conducting during the fourth quarter:

- Helped facilitate the sale of 1 drift limited entry permit
- Arranged a sale of Bristol Bay drift boat
- Listed 1 Chignik Seine permit, 0 drift permits and 3 set net permits.
- Assisted in filing 5 “Intent to Transfer” forms for clients. 3 confirmed their intent to sell their permit, 2 filed but not decided.
- Fielded an unknown number of calls regarding the availability of permits, boats, information on Division of Investment Loans and miscellaneous other fisheries related questions.

Community Fish Processing Feasibility Studies

BBEDC staff exchanged communications with the Lake and Peninsula Business Development Center regarding estimated completion of community feasibility studies. Due to logistical difficulties in obtaining information the Center asked and was granted permission to move the completion date from December 2005 to February 2006.

Interest Rate Assistance Activity

At year end, 36 residents were approved for the program and a total of \$44,902 was paid out. It is expected that the program will grow substantially in 2006, as more fishermen become familiar with it.

Tax Assistance

No activity in the Tax Assistance Program during the 4th Quarter. Fielded calls for information regarding 2006 program.

Community Planning Grants

All communities were notified that grants were extended through 2006 and the specific amount of funds remaining in their grants.

Following is the status of the community planning grant activities in each community.

Aleknagik - In progress
Dillingham – In progress
Egegik – In progress
Ekuk – Completed
King Salmon – In progress
Levelock – awaiting grant agreement
Manokotak – In final draft
Naknek – In final draft
Pilot Point – executed grant agreement
Port Heiden – executed grant agreement
Portage Creek – executed grant agreement
South Naknek – In progress
Togiak - In progress
Twin Hills - In progress
Ugashik - In progress

Education Initiative

Harvey Samuelsen Scholarship

The Harvey Samuelsen Scholarship Trust awarded the largest award this past July for the 2005-

2006 school year at an average of \$6600 per student. The awards totaled \$513,000 to 82 students from all four school districts in Bristol Bay. Recipients must be a BBEDC resident in order to qualify.

For the fall semester the actual disbursement was \$264,895 with the second award being made during the spring semester. Payments are sent directly to the university and not to the student. BBEDC staff monitors the students for their academic progress relative to the standards employed by the scholarship criteria.

Salmon Camp

During the third quarter both sessions of the Bristol Bay Salmon Camp were held featuring 20 students. The middle school session was held on July 18-23rd and the high school session was held from July 23-28th. Students from Dillingham, Levelock, Pedro Bay, Egegik, Igiugig, Pedro Bay, Perryville, Aleknagik, and Chignik Lake attended. Separate sessions were held for middle school and high school students.

Students gave PowerPoint presentations to community members on what they learned at Salmon camp. The student's presentations were well attended by parents and community members and enjoyed by all.

Coordination efforts continued through partnerships held with the ADF&G, USFWS, University of Washington's Fisheries Research Institute, UAF Bristol Bay Campus, BBAHC and SWRSD. These partnerships are among the greatest assets of our program. Through them we have been successful at providing a unique and challenging learning experience for Bristol Bay students.

The 2005 Bristol Bay Salmon Camp was a great success. Students participated in many different hands-on and classroom activities in limnology, fisheries research and management. Students experienced working alongside professional biologists and were able to interact with them on a personal level. They gained from these experiences not only knowledge, but an appreciation of Alaska coastal environments/watersheds and the management of these resources.

High School Higher Education Program

The High School Higher Education Program was established to providing funding to high school students to take distance delivery college level courses at the Bristol Bay Campus. The program continues to be somewhat slow in taking off. However, more students are taking advantage of the program. In 2005, a total of 29 students participated for a total funding of \$4,178. BBEDC staff will continue to advertise the program.

2003-2005 Milestones

Administration

Objective - Maintain an effective management organization

Review corporate and personnel policies

- 1) *Milestone* - Review corporate policies, articles and bylaws.

The policy committee reviewed several policy matters at the November 2005 meeting.

- 2) *Milestone* - Conduct board training.

Sexual harassment training was conducted during the May 2005 board meeting.

- 3) *Milestone* - Perform staff evaluations.

Several staff evaluations were administered during the 4th quarter.

Maintain an effective budget process

- 4) *Milestone* - Allocate CDQ royalties in the following manner -- 50% to Capital Investment Fund -- 45% to operations, and 5% to Harvey Samuelsen Scholarship Trust.

CDQ Royalties are allocated 50/45/5 as payments come in throughout the year and are reconciled on a quarterly basis.

This milestone was followed as applicable during the second quarter.

- 5) *Milestone* - Approve operating plan and budget.

The 2006 budget was approved at the annual meeting on November 2005.

Community Outreach

Objective -- Maintain and improve outreach to BBEDC communities

- 6) *Milestone* -- Travel to communities to promote BBEDC programs.

The staff made several community visits during the 4th quarter 2005.

Provide BBEDC information to communities

- 7) *Milestone* - Maintain current information on community bulletin boards.

Community liaisons are tasked with this responsibility. BBEDC staff also distributes information during travel to CDQ communities.

8) *Milestone* - Send out flyers, radio, and cable announcements to promote BBEDC programs.

This is done regularly by the employment and training, regional fishery, and other staff.

9) *Milestone* - Distribute a quarterly newsletter to BBEDC households.

The BBEDC Tide was mailed to CDQ box holders in August 2005.

10) *Milestone* - Distribute an annual report to BBEDC households.

The 2004-2005 report was mailed in December 2005.

11) *Milestone* - Maintain an active BBEDC website.

BBEDC sent a staff into Anchorage for specialized training for the purpose of doing future website updates in-house. A contractor is also being utilized for the more extensive changes.

Community Liaison Program

12) *Milestone* - Provide ongoing support and training to BBEDC community liaisons.

Training sessions with the liaisons and supervisors is scheduled for January 30 & 31, 2006 in Dillingham. Communities are required to send at least one representative.

Regional Fisheries Development

Objective - Enhance and expand regional fisheries opportunities in Bristol Bay

(13) *Milestone* - Select initiatives annually for regional fisheries development.

Several new projects were pursued in 2005 including the pursuit of a regional icing coalition for Bristol Bay. Other efforts include expanding the Bristol Bay Wild Salmon quality assurance program and continuing marketing and selling activity conducted by the Bristol Bay Fish Company.

14) *Milestone* - Investigate market opportunities that promote regional brand identity.

BBEDC worked with three companies in 2005 summer to sell and promote Bristol Bay salmon.

15) *Milestone* - Develop quality standards for Bristol Bay salmon harvesters.

An extensive program took place in 2005 to educate fishermen about the handling practices

required in the Bristol Bay Wild Salmon certification program. Approximately 70 fishermen took part in the program based out of Naknek in 2005.

16) *Milestone* - Explore value-added opportunities in-region.

Exploration activity took place regarding the further utilization of herring products.

Bristol Bay Fish Company

Provide communities the opportunity to learn about operating a seafood company

17) *Milestone* - Conduct BBFC as a learning environment for operating a seafood company.

A 2004 year-end report for BBFC was made available during the 1st quarter 2005. BBFC produced a significant amount of finished product during the past summer for sale to retail and wholesales outlets in Alaska and elsewhere.

Ice Machine Support

Objective - Encourage community ownership of ice machines

18) *Milestone* - Provide ice machines and support services in BBEDC communities.

Staff is working with Igushik and Ekuk representatives to establish cost estimates for operation and maintenance of ice machines.

4E Halibut Fishery

Objective - Manage 4E halibut fishery to maximize benefits to residents

19) *Milestone* - Manage 4E halibut fishery to provide benefits to resident fishermen.

The entire 4E CDQ quota of 107,700 pounds was harvested by Bristol Bay halibut fishermen.

20) *Milestone* - Hold workshops to promote good fishing practices and use of proper safety techniques.

No workshops were held in 2005. A workshop may be held in 2006.

Bristol Bay Permit Brokerage

Objective - Maintain resident ownership of Bristol Bay limited entry permits and provide support services to Bristol Bay fishermen

21) *Milestone* - Provide services to Bristol Bay fishermen in an effort to maintain local ownership of limited entry permits in CDQ and non-CDQ communities.

The 2005 summer season saw another busy season for the brokerage staff. For more details please see the details in the non-confidential portion of the quarterly report.

22) *Milestone* - BBEDC will fund an interest rate support program to help CDQ fishermen with fishery loan payments.

In the first full year of the program, 36 applicants were approved for interest rate assistance payments in 2005.

Work with residents to resolve tax and debt problems affecting permit ownership

23) *Milestone* - Interact with the IRS and financial institutions on behalf of permit holders.

Several communications took place with the Division of Investments regarding the sale of limited entry permits in Bristol Bay.

Community and Business Development Program

Objective - Promote in-region fishery infrastructure development and technical assistance

24) *Milestone* - Provide \$1,000,000 for approved community infrastructure proposals.

Aleknagik Native Village Council – Boat storage facility - \$272,250 - approved.

25) *Milestone* - Provide \$100,000 per BBEDC community in seed funds during CDP cycle.

Aleknagik Native Village Council – Boat storage facility –\$100,000 approved.

26) *Milestone* - Monitor completion requirements for approved projects.

This activity occurs regularly throughout the year.

27) *Milestone* - Provide grant writing and business planning services to BBEDC communities and residents.

Egegik Tribal Council – assist in developing grant application for Seed and other grant sources – application approved

Bristol Bay Science and Research Institute

Objective - Promote in-region scientific research and education programs

28) *Milestone* - Maintain core funding of \$283,000 to the Institute.

Funding for fiscal year 2005 was provided to the institute as required.

29) *Milestone* - Increase research and management employment opportunities for Bristol Bay residents.

BBSRI successfully provided for several internships during the second quarter stationed in various locations throughout Bristol Bay.

30) *Milestone* - Conduct applied research to improve the management of area fisheries.

Several BBSRI projects designed to improve management of the area's salmon fisheries were active during the second and third quarters, including: the Port Moller Test fishery, the catch sampling project and the Nushagak sonar project.

Support fisheries research with grant funding

31) *Milestone* - Secure external funds to support in-region fisheries research and monitoring.

The institute has successfully procured funding from a number of granting agencies. A significant amount of Congressional funding has also been secured.

Seafood Industry Investments

Objective - Manage Capital Investment Fund to provide revenues to BBEDC in perpetuity

Manage CIF to provide maximum return within established investment policy

32) *Milestone* - Monitor marketable securities fund to insure adequate performance.

The quarterly reports from PRIME Asset Consulting measure the performance of all fund managers and were reviewed by the Financial Officer. Audited performance numbers are available on a quarter lag. As of September 30, 2005, the CIF Marketable Securities returned 5.47% for the trailing twelve-month period.

Seek seafood industry investment opportunities

33) *Milestone* - Actively seek opportunities that meet CIF investment criteria of long-term averages of total return of 15%.

During the third quarter BBEDC conducted due diligence on several prospective Bering Sea investments.

34) Milestone - Obtain state and federal approval for all board approved investments.

One plan amendment was submitted to the state, which was approved during the 1st quarter 2005.

Monitor seafood industry investments for performance and profitability

35) Milestone- Attend subsidiary board and LLC management committee meetings.

Staff attended the Bristol Leader, Dona Martita and Arctic Fjord meetings during the 1st quarter 2005.

36) Milestone- Prepare quarterly and annual performance reports on investment activities.

A report was provided to the BOD by the Seafood Investment Officer during the February 2005 meeting.

37) Milestone- Track investment profitability per CIF criteria of declared distributions of total initial investment of 7% (exclusive of a large offshore pollock investment after 2003).

The Seafood Investment Officer and Financial officer track all investment activity as described in the 2003-2005 CDP.

Marketing and Sales

Objective -- Review CDQ harvest partner marketing plans

38) Milestone - Review and compare plans with ongoing sales results.

The plans are reviewed on a regular basis by the Seafood Investment Officer and Quota Manager.

39) Milestone - Research opportunities in marketing of CDQ and IFQ products.

BBEDC is actively exploring one opportunity that involves a business relationship.

CDQ Harvest and Management

Objective - Limit bycatch and manage CDQ's to maximize benefit to BBEDC

Provide oversight and management of all CDQ fishing

40) Milestone - Review CDQ harvest partner fishing plans.

BBEDC staff traveled to Seattle during the first quarter and met with industry representatives to discuss the fishing plan activity for 2005. Throughout the year, the quota manager maintains frequent and regular contact with industry representatives via phone and email.

41) Milestone - Review operations with CDQ harvest partners.

The quota manager and seafood industry officer correspond regularly with BBEDC harvest partners on all operational activities. Senior staff at BBEDC attends various subsidiary board meetings each quarter.

42) Milestone - Work with CDQ groups on harvesting and management issues.

BBEDC's quota manager will continue to manage flatfish and pollock management pools for several CDQ groups in 2005.

CDQ Program Advocacy

Objective -- Advocate the policy interests of the CDQ program

43) Milestone - Represent CDQ interests at the NPFMC, IPHC, and other CDQ related forums.

In October 2005, BBEDC's quota manager was sworn in as a new member on the NPFMC. A BBEDC board of director also serves on the Alaska Board of Fisheries.

Employment

Objective - - Provide employment for Bristol Bay residents and monitor career advancement

Provide employment opportunities with CDQ harvest partners

44) Milestone - Place a total of 32 CDQ and non-CDQ residents with CDQ harvest pollock partner(s) each year.

A total of 32 BBEDC residents were employed with pollock partners in 2005.

45) Milestone - Place 12 entry level hires with CDQ multi-species harvest partners.

Eight residents were employed with multi-species partners in 2005.

Provide employment in advanced positions with CDQ harvest partners

46) Milestone - Monitor career progression opportunities with CDQ harvest partners.

Three BBEDC residents became full-share crew members with Kaldestad Fisheries in 2005. One individual was promoted to a lead position with U.S. Seafoods in 2005.

Collaborate with regional and statewide entities

47) *Milestone* - Work with Bristol Bay and statewide service providers to create employment and training opportunities in the region.

BBEDC Employment & Training staff meets periodically with BBNA Education and Training staff and DOL staff to consider collaborative efforts for joint funding of students attending vocational and higher education programs. Staff also worked with other regional organizations to hold an Economic Summit in King Salmon in September 2005.

Training

Objective -- Develop the human resource potential of Bristol Bay CDQ and non-CDQ residents through vocational training

Provide Adult Basic Education and General Education Diploma training

48) *Milestone* - Provide ABE training for a minimum of 150 residents.

Ninety Eight residents of the Bristol Bay region have taken GED classes in 2005.

49) *Milestone* - Provide GED training for a minimum of 16 residents.

One hundred and nine Bristol Bay residents took GED classes in the first three quarters with fourteen students earning their GED.

Provide basic vocational/technical training in-region

50) *Milestone* - Provide basic vocational/technical training for a minimum of 60 residents.

BBEDC has provided basic vocational/training for 192 residents in 2005.

51) *Milestone* - Provide training opportunities in BBEDC communities.

BBEDC has supported training in Dillingham, Togiak, King Salmon, Egegik, and Naknek in 2005.

Provide advanced vocational technical scholarships in approved programs

52) *Milestone* - Provide advanced vocational/technical training for a minimum of 20 residents.

BBEDC provided thirty seven vocational scholarships in 2005. BBEDC has sponsored seventeen residents in fishery related Voc/Tec classes in the first quarter.

Internships

Objective -- Provide internships in various settings in Bristol Bay and with CDQ harvest partners

53) *Milestone*- Place a total of nine interns in the Bristol Bay region each year. In 2005 there were twenty seven interns in the BBEDC region.

54) *Milestone* - Place a total of five interns with CDQ harvest partners located outside of the Bristol Bay region.

There were three interns with CDQ harvest partners in 2005.

Work readiness opportunities for youth interns

55) *Milestone* - Collaborate with regional agencies and others to provide youth internships in Bristol Bay.

BBEDC had five youth interns in 2005.

Education Initiative

Objective -- Provide academic scholarship program and other education opportunities for CDQ community residents

Manage Harvey Samuelsen Scholarship Trust to provide growth in perpetuity

56) *Milestone* - Inflation-proof Trust over the proceeding five-year period.

The Trust's investments have returned 4.91% for the preceding five-year period versus inflation of 3.0%.

57) *Milestone* - Review Trust investment policy each CDP cycle.

The Trust's Investment Policies were revised in March 2005.

58) *Milestone* - Award 3% of previous year's audited net assets in scholarships.

A total of 83 scholarships were awarded for a total fall disbursement of \$264,895 in funds.

59) *Milestone* - Monitor scholarship recipients for academic progress.

Regular contact has been maintained with our scholarship recipients via email, phone, and in person. Students are required to submit transcripts at the completion of each term.

Student Loan Forgiveness Project

60) Milestone - Implement and regularly monitor the project.

A total of four residents were accepted into the program. A total of \$2,735 in students loans have been paid back by BBEDC.

Career & College Development Fund

61) Milestone - Place 10 residents in the program and monitor their progress. During 2005, 45 residents participated in the program for a total of \$28,565

Salmon Camp support

62) Milestone - Continue to develop the camp and its curriculum in an effort to promote fishery management and research career opportunities for Bristol Bay youth.

During 2005 we have continued to enhance this program and curriculum. A total of 20 students participated in the Bristol Bay Salmon Camp this year.

63) Milestone -- Recruit camp participants from all Bristol Bay school districts.

Twenty participants were recruited from the four school districts in Bristol Bay to participate in the 2005 Salmon Camp. They came from Dillingham, Aleknagik, Iliamna, Perryville, Igiugig, Levelock, Pedro Bay, and Chignik Lake.

Grants

Objective -- Pursue grants to help fund BBEDC programs

64) Milestone - Grant funds will support at least 10% of the total budget of non-profit projects in 2004.

In 2004, 16% of the total budget for non-profit projects was supported through grant funds.

65) Milestone - Grant funds will support at least 15% of the total budget of non-profit projects in 2005.

The requirements in this milestone have been satisfied in the third quarter with a percentage calculated at 23.7%.

66) Milestone - Administer and provide grant reporting as required.

The reports for the period ending September 30, 2005 are being prepared and filed as required.

B. Outreach

Please see the quarterly highlights for more detail.

Employment Data

4th Quarter

October 1st – December 31st

	<u>Quarter</u>		<u>Year-To-Date</u>	
	People	Wages	People	Wages
Management/Admin	17	\$265,424	19	\$1,020,059
CDQ Pollock Related				
A SEASON	0	0	24	\$389,126
B SEASON	15	\$155,449	19	219,769
Other Fishing	7	132,572	94	\$646,775
Other Employment	6	\$15,228	24	\$135,571
Internships	2	7,886	33	\$132,931
Total of Rows	47	\$576,559	212	\$2,544,231
Unique Individual Total	47	\$576,559	212	\$2,544,231

Employment Summary

Unique Individuals*

Two hundred twelve unique individuals worked via BBEDC affiliated jobs in 2005.
Discrepancies are noted below.

Management and Administration

Seventeen individuals filled Seventeen positions with BBEDC in the 4th quarter. Sixteen of the individuals worked during other quarters in 2005.

Pollock A Season

No activity this quarter

B Season

Fifteen Bristol Bay area residents filled positions during B season in the 4th quarter. All of them worked previously in the year. The residents were from the following communities; Togiak, Manokotak, New Stuyahok, Dillingham, and Nondalton.

Other Fishing

One resident from Manokotak worked with U.S. Seafoods this quarter. Four residents worked for Alaskan Leader in the fourth quarter. Three worked in previous quarters. The four reside in Togiak and Dillingham. Two residents worked crabbing in the fourth quarter one resident from Levelock and one from Dillingham, one worked in previous quarters in 2005.

Other Employment

Six residents from Bristol Bay area communities including: Dillingham, Egegik, Naknek, and New Stuyahok, worked for Icicle Seafoods in the fourth quarter. All of these residents worked in previous quarters this year.

Internships Summary

Two Interns that worked in the fourth quarter also worked previously in 2005 Icicle Seafood's Office. BBEDC had no interns with Icicle in the fourth quarter.

American Seafood's Office

BBEDC had no interns with American Seafoods in the fourth quarter

In-Region Interns

BBEDC had one Advanced Fisheries Research /Admin. Assistant Internship in Naknek complete their internship in the fourth quarter last year but was paid in 2005. BBEDC had two interns in the region this quarter with Choggiung Limited, and, Lake & Peninsula Borough. Both of these interns worked previously in 2005.

Youth Interns

BBEDC had no youth interns in the 4th quarter.

BBSRI Interns

BBSRI had no interns in the fourth quarter.

Training Data
4th Quarter
October 1st – December 31st

	Quarter		Year-to-Date	
	People	Expenditure	People	Expenditure
Scholarships				
Post-secondary	8	\$3,254	222	\$540,695
Vocational	2	\$8,800	37	\$80,250
Voc-Tech Classes				
Advanced Vocational				
Basic Vocational	62	13,407	192	\$30,099
Other Training				
Fisheries Related	0	0	17	\$52,512
Student Loans	4	\$2735	4	\$2,735
CDQ Staff/Board	5	\$5,477	53	\$20,354
Other				
Other Expenditures				
To Educational Institutes				
Educational Endowment Funds				
Other	60	\$3,164	207	\$30,000
Total	181	\$36,837	732	\$756,645

Scholarships

College Development Fund

One resident from Dillingham received a College Development Fund Scholarship (part-time students).

Harvey Samuelson Scholarship Trust

The Harvey Samuelson Scholarship Trust did not distributed any scholarships to students in the fourth quarter,

High School Higher Education Scholarship

The High School Higher Education Scholarship awarded seven scholarships in the fourth quarter to students from Naknek and King Salmon.

Vocational Scholarships

BBEDC awarded two vocational scholarships during the fourth quarter. Two residents of Dillingham attended the following trainings, Welding Technology and Instrument Flying.

Basic Voc/Tech

BBEDC sponsored 8 classes through the University of Alaska Bristol Bay Campus this quarter. Classes included QuickBooks Pro, Beginning Excel, Hazwopper Refresher, Intro to Personal computers, Grant Writing for Community Development, and Toyo Maintenance & Repair. Classes took place in Dillingham, King Salmon, and Togiak. Sixty-two (62) residents from the following communities participated in these classes Dillingham, Togiak, Manokotak, King Salmon, Naknek, Twin Hills and Aleknagik.

Advanced Voc/Tech

No activity this quarter.

Fisheries Related

No activity this quarter,

Student Loans

BBEDC had its first recipients of the Student Loan Forgiveness program with four (4) former students from Dillingham receiving a total of \$2,735 to help repay student loans.

CDQ Staff/Board

Five BBEDC staff attended the following trainings with two attending the same training. The trainings where: How to get Organized, Basic Supervision, Not for Profit Accounting Tax Issues seminar, and Tax Exempt Status Seminar.

Other Expenditures

BBEDC supplements the funding of the ABE/GED program administered by UAF Bristol Bay Campus. Thirty one residents took ABE classes this quarter. Twenty -nine residents took GED classes. Residents from the following Bristol Bay area communities: Aleknagik, Chignik, Dillingham, Chignik Lake, Ekwok Illiamna, King Salmon, Kokhanok, Levelock, Manokotak, New Stuyahok, Nondalton, Pedro Bay, Pilot Point, Port Alsworth, and Togiak, Twin Hills participated in taking ABE/GED classes in 2005. The GED program has had Twenty two (22)

graduates this year from the following communities: Dillingham, King Salmon, Kokhanok, Levelock, and Togiak.

E. Other Issues

There were no other issues to report during the 4th quarter.

III. ADMINISTRATION

A. Board Activities

1. Change in Members

BBEDC welcomed three new board members in 2005. Sergie Chukwak- Levelock, Sylvia Kazimirovicz- Ekwok and Fred Bartman- Aleknagik.

B. State of Alaska Reporting Compliance

There are no issues pending.

III. Harvesting and Processing Report

A. Target Fishery Harvest Activity

Pollock Target Fishery Harvest Activity Fourth Quarter as of December 31, 2005								
CDQ Reserve Category	Units	Allocation after transfers	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD Harvest	% of Target Harvest
A Season (40%)	mt	31,575.518	31,575.521				31,575.521	38.990%
B Season (60%)	mt	49,421.482		9,608.084	39,800.773		49,408.857	61.010%
BS Pollock Total	mt	80,997.000	31,575.521	9,608.084	39,800.773		80,984.378	100.000%
Bycatch								
Pacific Cod	mt	3,682.500	89.730	19.808	66.618		176.156	0.218%
BS FG Sablefish	mt	48.800					0.000	0.000%
AI FG Sablefish	mt	74.670					0.000	0.000%
BS Sablefish	mt	42.960	0.017				0.017	0.000%
AI Sablefish	mt	21.050					0.000	0.000%
WAI Atka Mackerel 543	mt	818.000					0.000	0.000%
CAI Atka Mackerel 542	mt	1,463.450					0.000	0.000%
EAI/BS Atka Mackerel 541	mt	297.350	0.006	0.031	0.072		0.109	0.000%
Yellowfin Sole	mt	4,170.240	1.272	0.430	0.467		2.169	0.003%
Rock Sole	mt	1,858.990	27.224	1.262	0.787		29.273	0.036%
BS Greenland Turbot	mt	84.090	0.405	0.084	0.801		1.290	0.002%
AI Greenland Turbot	mt	27.400					0.000	0.000%
Arrowtooth Flounder	mt	410.000	5.648	1.513	5.702		12.863	0.016%
Flathead Sole	mt	682.230	59.450	7.573	17.539		84.562	0.104%
Other Flatfish	mt	129.370	3.182	0.829	0.035		4.046	0.005%
Alaska Plaice	mt	299.700	0.217	0.159	0.044		0.420	0.001%
BS Pacific Ocean Perch	mt	51.070	0.676		0.078		0.754	0.001%
WAI POP 543	mt	204.150					0.000	0.000%
CAI POP 542	mt	119.200					0.000	0.000%
EAI POP 541	mt	120.650					0.000	0.000%
BS Other Rockfish	mt	10.950	1.811	0.020			1.831	0.002%
AI Other Rockfish	mt	14.720					0.000	0.000%
Other Species	mt	0.000	18.859	8.031	18.601		45.491	0.056%
PSQ Reserve Category								
Zone 1 Red King Crab	ea	7,117.000					0.000	0.000
Zone 1 Bairdi Tanner Crab	ea	38,050.000		8.810			8.810	0.000
Zone 2 Bairdi Tanner Crab	ea	116,843.000	13.779	0.094	2.878		16.751	0.000
Opilio Tanner Crab	ea	183,532.000					0.000	0.000
Pacific Halibut (mortality)	mt	138.640	1.336	0.094	2.587		4.017	0.000
Chinook Salmon	ea	1,161.000	891.464	59.949	101.862		1,053.275	0.013
Non-Chinook Salmon	ea	1,682.000					0.000	0.000

Pacific Cod Target Fishery Harvest Activity Fourth Quarter as of December 31, 2005								
CDQ Reserve Category	Units	Allocation after transfers	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD Harvest	% of Target Harvest
A Season (60%)	mt	2,253.900	1,743.889				1,743.889	56.576%
B Season (40%)	mt	1,502.600			1,025.494	313.024	1,338.518	43.424%
Pacific Cod Total	mt	3,756.500	1,743.889		1,025.494	313.024	3,082.407	100.000%
Bycatch								
Non Pollock Quota	mt	N/A	6.190		9.945	7.622	23.757	0.771%
BS FG Sablefish	mt	48.800					0.000	0.000%
AI FG Sablefish	mt	74.670					0.000	0.000%
BS Sablefish	mt	46.460					0.000	0.000%
AI Sablefish	mt	23.050					0.000	0.000%
WAI Atka Mackerel 543	mt	835.500					0.000	0.000%
CAI Atka Mackerel 542	mt	1,488.450					0.000	0.000%
EAI/BS Atka Mackerel 541	mt	308.350			0.023	2.586	2.609	0.085%
Yellowfin Sole	mt	4,548.240			6.588	3.741	10.329	0.335%
Rock Sole	mt	1,942.990	0.070		0.540	0.012	0.622	0.020%
BS Greenland Turbot	mt	89.090	0.092		1.083		1.175	0.038%
AI Greenland Turbot	mt	28.400					0.000	0.000%
Arrowtooth Flounder	mt	420.000	2.000		12.540	0.125	14.665	0.476%
Flathead Sole	mt	838.730	0.978		9.026	0.711	10.715	0.348%
Other Flatfish	mt	129.370	0.119		0.016	0.054	0.189	0.006%
Alaska Plaice	mt	319.700			0.009	0.004	0.013	0.000%
BS Pacific Ocean Perch	mt	56.070	0.002				0.002	0.000%
WAI Pacific Ocean Perch 543	mt	210.650					0.000	0.000%
CAI Pacific Ocean Perch 542	mt	125.700					0.000	0.000%
EAI Pacific Ocean Perch 541	mt	127.150					0.000	0.000%
BS Other Rockfish	mt	15.250	0.153		0.374		0.527	0.017%
AI Other Rockfish	mt	21.520					0.000	0.000%
Other Species	mt	0.000	55.071		407.769	28.867	491.707	15.952%
PSQ Reserve Category								
Zone 1 Red King Crab	ea	7,117.000					0.000	0.000
Zone 1 Bairdi Tanner Crab	ea	38,050.000					0.000	0.000
Zone 2 Bairdi Tanner Crab	ea	116,843.000					0.000	0.000
Opilio Tanner Crab	ea	183,532.000					0.000	0.000
Pacific Halibut (mortality)	mt	138.640	2.425		6.505	1.014	9.944	0.003
Chinook Salmon	ea	1,161.000					0.000	0.000
Non-Chinook Salmon	ea	1,682.000					0.000	0.000

Yellowfin Sole Target Fishery Harvest Activity
Fourth Quarter as of December 31, 2005

CDQ Reserve Category	Units	Allocation after transfers	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD Harvest	% of Target Harvest
Yellowfin Sole	mt	4,548.240		2,915.012		1,540.614	4,455.626	100.000%
Bycatch								
Non Pollock Quota	mt	N/A		35.670		57.246	92.916	2.085%
Pacific Cod	mt	3,756.500		29.221		31.749	60.970	1.368%
BS FG Sablefish	mt	48.800					0.000	0.000%
AI FG Sablefish	mt	74.670					0.000	0.000%
BS Sablefish	mt	46.460					0.000	0.000%
AI Sablefish	mt	23.050					0.000	0.000%
WAI Atka Mackerel 543	mt	835.500					0.000	0.000%
CAI Atka Mackerel 542	mt	1,488.450					0.000	0.000%
EAI/BS Atka Mackerel 541	mt	308.350					0.000	0.000%
Rock Sole	mt	1,942.990		1,463.988		14.296	1,478.284	33.178%
BS Greenland Turbot	mt	89.090					0.000	0.000%
AI Greenland Turbot	mt	28.400					0.000	0.000%
Arrowtooth Flounder	mt	420.000		0.556		26.573	27.129	0.609%
Flathead Sole	mt	838.730		0.325		15.167	15.492	0.348%
Other Flatfish	mt	129.370		40.799		0.278	41.077	0.922%
Alaska Plaice	mt	319.700				17.603	17.603	0.395%
BS Pacific Ocean Perch	mt	56.070		0.018			0.018	0.000%
WAI Pacific Ocean Perch 543	mt	210.650					0.000	0.000%
CAI Pacific Ocean Perch 542	mt	125.700					0.000	0.000%
EAI Pacific Ocean Perch 541	mt	127.150					0.000	0.000%
BS Other Rockfish	mt	15.250					0.000	0.000%
Other Species	mt	0.000		52.594		25.645	78.239	1.756%
PSQ Reserve Category								
Zone 1 Red King Crab	ea	7,117.000					0.000	0.000%
Zone 1 Bairdi Tanner Crab	ea	38,050.000					0.000	0.000%
Zone 2 Bairdi Tanner Crab	ea	116,843.000				81.014	81.014	1.818%
Opilio Tanner Crab	ea	183,532.000					0.000	0.000%
Pacific Halibut (mortality)	mt	138.640		22.027		10.373	32.400	0.727%
Chinook Salmon	ea	1,161.000					0.000	0.000%
Non-Chinook Salmon	ea	1,682.000					0.000	0.000%

Atka Mackerel / Pacific Ocean Perch Target Fisheries Harvest Activity
Fourth Quarter as of December 31, 2005

CDQ Reserve Category	Units	Allocation after transfers	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD Harvest	% of Target Harvest
WAI Atka Mackerel 543	mt	835.500				818.064	818.064	31.7%
CAI Atka Mackerel 542	mt	1,488.450			811.899	658.322	1,470.221	56.9%
EAI Atka Mackerel 541	mt	308.350			186.343	107.339	293.682	11.4%
Atka Mackerel Total	mt	2,632.300			998.242	1,583.725	2,581.967	100.0%
Bycatch								
Non Pollock Quota	mt	N/A			28.860	26.534	55.394	2.1%
Pacific Cod	mt	3,756.500			140.714	93.613	234.327	9.1%
BS Sablefish	mt	46.460			2.262	0.958	3.220	0.1%
AI Sablefish	mt	23.050				15.242	15.242	0.6%
Yellowfin Sole	mt	4,548.240					0.000	0.0%
Rock Sole	mt	1,942.990			19.551	9.092	28.643	1.1%
BS Greenland Turbot	mt	89.090			0.545	0.545	1.090	0.0%
AI Greenland Turbot	mt	28.400				21.505	21.505	0.8%
Arrowtooth Flounder	mt	420.000			46.600	59.522	106.122	4.1%
Flathead Sole	mt	838.730			4.335	4.892	9.227	0.4%
Other Flatfish	mt	129.370			2.992	5.154	8.146	0.3%
Alaska Plaice	mt	319.700					0.000	0.0%
BS Pacific Ocean Perch	mt	56.070			4.187		4.187	0.2%
WAI POP 543	mt	210.650				205.632	205.632	8.0%
CAI POP 542	mt	125.700			49.212	68.899	118.111	4.6%
EAI POP 541	mt	127.150			89.276	22.000	111.276	4.3%
BS Other Rockfish	mt	15.250			0.883		0.883	0.0%
AI Other Rockfish	mt	21.520			1.009	6.500	7.509	0.3%
Other Species	mt	0.000			12.355	14.603	26.958	1.0%
PSQ Reserve Category								
Zone 1 Red King Crab	ea	7,117.000					0.000	0.000
Zone 1 Bairdi Crab	ea	38,050.000					0.000	0.000
Zone 2 Bairdi Crab	ea	116,843.000					0.000	0.000
Opilio Tanner Crab	ea	183,532.000					0.000	0.000
Pacific Halibut (mort)	mt	138.640			11.080	2.504	13.584	0.005
Chinook Salmon	ea	1,161.000					0.000	0.000
Non-Chinook Salmon	ea	1,682.000					0.000	0.000

Flathead Sole Target Fisheries Harvest Activity								
Fourth Quarter as of December 31, 2005								
CDQ Reserve Category	Units	Allocation after transfers	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD Harvest	% of Target Harvest
Flathead Sole	mt	838.730			203.108	341.564	544.672	100.0%
Bycatch								
Non Pollock Quota	mt	N/A			136.552	52.383	188.935	34.7%
Pacific Cod	mt	3,756.500			17.595	45.787	63.382	11.6%
Yellowfin Sole	mt	4,548.240				0.010	0.010	0.0%
Rock Sole	mt	1,942.990			1.018	1.818	2.836	0.5%
BS Greenland Turbot	mt	89.090			6.113	1.613	7.726	1.4%
Arrowtooth Flounder	mt	420.000			67.026	111.342	178.368	32.7%
Other Flatfish	mt	129.370				0.170	0.170	0.0%
Other Species	mt	0.000			3.141	8.265	11.406	2.1%
PSQ Reserve Category								
Pacific Halibut (mortality)	mt	138.640			0.123		0.000	0.0%

Bering Sea Sablefish Target Fishery Harvest Activity								
Fourth Quarter as of December 31, 2005								
CDQ Reserve Category	Units	Allocation after transfers	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD Harvest	% of Target Harvest
BS FG Sablefish	mt	48.800	9.811	37.689			47.500	100.0%
Bycatch								
BS Greenland Turbot	mt	84.090	0.528	0.038			0.566	1.2%
Arrowtooth Flounder	mt	410.000	1.084				1.084	11.0%
Other Flatfish	mt	129.370		0.027			0.027	0.1%
BS Other Rockfish	mt	10.950	0.013	0.113			0.126	0.3%
Other Species	mt	0.000		0.381			0.381	0.8%

Aleutian Islands Sablefish Target Fishery Harvest Activity								
Fourth Quarter as of December 31, 2005								
CDQ Reserve Category	Units	Allocation after transfers	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD Harvest	% of Target Harvest
AI FG Sablefish	mt	74.670		6.978	7.000		13.978	100.0%
Bycatch								
AI Greenland Turbot	mt	27.400		0.056			0.056	0.8%
Arrowtooth Flounder	mt	410.000		0.031			0.031	0.4%
AI Other Rockfish	mt	14.720		0.761			0.761	10.9%
Other Species	mt	0.000		0.060			0.060	0.9%

Crab Harvest Activity
Fourth Quarter as of December 31, 2005

CDQ Reserve Category	Units	Annual Allocation	In	Out	Allocation after transfers	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD Harvest	Percent Harvested	Remaining Allocation
Bering Sea C. <i>Opilio</i>	Lbs	371,268	315,577	3,900	682,945	682,941				682,941	100.0%	4
Bering Sea C. <i>Bairdi</i>	Lbs											
Bristol Bay Red King crab	Lbs	348,251			348,251				346,300	346,300	99.4%	1,951
Norton Sound Red King crab	Lbs				0							
Pribilof Red & Blue King crab	Lbs				0							
St Matthew Blue King crab	Lbs				0							

Halibut Target Fishery Harvest Activity
Fourth Quarter as of December 31, 2005

CDQ Reserve Category	Units	Annual Allocation	In	Out	Allocation after transfers	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD Harvest	Percent Harvested	Remaining Allocation
4D Halibut	lbs	141,570			141,570				139,650	139,650	98.6%	1,920
4E Halibut	lbs	107,700			107,700		107,838			107,838	100.1%	-138

MS-CDQ Account Fourth Quarter Status Report as of December 31, 2005

CDQ Reserve Category		Alloc Amount	In	Out	Allocation after transfers	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	MT's Harvest	Percent Harvested	Remainin g	Remaining
BS Pollock	mt	31,447.500	49,559.500	10,000	80,997.000	31,575.521	9,608.084	39,800.773	0.000	80,984.378	99.984%	12,622	0.02%
Pacific Cod	mt	3,244.500	593.000	81.000	3,756.500	1,833.619	49.029	1,250.421	484.173	3,617.242	96.29%	139,258	3.71%
BS FG Sablefish	mt	48,800	0.000		48,800	9,811	37,689	0.000	0.000	47,500	97.34%	1,300	2.66%
AI FG Sablefish	mt	74,670	0.000		74,670	0.000	6,978	7,000	0.000	13,978	18.72%	60,692	81.28%
BS Sablefish	mt	20,240	26,220		46,460	0.017	0.000	2,262	0.958	3,237	6.97%	43,223	93.03%
AI Sablefish	mt	9,800	13,250		23,050	0.000	0.000	0.000	0.000	0.000	0.00%	23,050	100.00%
WAI Atka Mackerel 543	mt	225,000	610,500		835,500	0.000	0.000	0.000	818.064	818.064	97.91%	17,436	2.09%
CAI Atka Mackerel 542	mt	399,450	1,089,000		1,488,450	0.000	0.000	811,899	658.322	1,470,221	98.78%	18,229	1.22%
EAI/BS Atka Mackerel 541	mt	84,450	223,900		308,350	0.006	0.031	186,438	109.925	296,400	96.12%	11,950	3.88%
Yellowfin Sole	mt	1,632,240	2,916,000		4,548,240	1,272	2,915,442	7,055	1,544,365	4,468,134	98.24%	80,106	1.76%
Rock Sole	mt	715,990	1,227,000		1,942,990	27,294	1,465,250	21,896	25,218	1,539,658	79.24%	403,332	20.76%
BS Greenland Turbot	mt	40,600	48,490		89,090	1,025	0.122	2,429	0.545	4,121	4.63%	84,969	95.37%
AI Greenland Turbot	mt	11,400	17,000		28,400	0.000	0.056	0.000	21,505	21,561	75.92%	6,839	24.08%
Arrowtooth Flounder	mt	198,000	222,000		420,000	8,732	6,233	64,842	86,220	166,027	39.53%	253,973	60.47%
Flathead Sole	mt	307,230	531,500		838,730	60,428	7,898	30,900	20,770	119,996	14.31%	718,734	85.69%
Other Flatfish	mt	63,120	66,250		129,370	3,301	41,655	3,043	5,486	53,485	41.34%	75,885	58.66%
Alaska Plaice	mt	126,000	193,700		319,700	0.217	0.159	0.053	17,607	18,036	5.64%	301,664	94.36%
BS Pacific Ocean Perch	mt	22,050	34,020		56,070	0.678	0.018	4,265	0.000	4,961	8.85%	51,109	91.15%
WAI Pacific Ocean Perch 543	mt	57,150	155,500		210,650	0.000	0.000	0.000	205,632	205,632	97.62%	5,018	2.38%
CAI Pacific Ocean Perch 542	mt	34,200	91,500		125,700	0.000	0.000	49,212	68,899	118,111	93.96%	7,589	6.04%
EAI Pacific Ocean Perch 541	mt	34,650	92,500		127,150	0.000	0.000	89,276	22,000	111,276	87.52%	15,874	12.48%
BS Other Rockfish	mt	6,650	8,600		15,250	1,977	0.133	1,257	0.000	3,367	22.08%	11,883	77.92%
AI Other Rockfish	mt	7,920	13,600		21,520	0.000	0.761	1,009	6,500	8,270	38.43%	13,250	61.57%
Other Species	mt					93,930	61,066	438,725	129,115	722,836			
PSQ Reserve Category													
Zone 1 Red King Crab	ea	3,103,000	4,014,000		7,117,000	0.000	0.000	0.000	0.000	0.000	0.00%	7,117,000	100.00%
Zone 1 Bairdi Tanner Crab	ea	17,640,000	20,410,000		38,050,000	0.000	8,810	0.000	0.000	8,810	0.02%	38,041,190	99.98%
Zone 2 Bairdi Tanner Crab	ea	51,233,000	65,610,000		116,843,000	13,779	0.094	2,878	81,014	97,765	0.08%	116,745,235	99.92%
Opilio Tanner Crab	ea	87,462,000	96,070,000		183,532,000	0.000	0.000	0.000	0.000	0.000	0.00%	183,532,000	100.00%
Pacific Halibut (mortality)	mt	75,240	63,400		138,640	3,761	22,121	20,295	15,368	61,545	44.39%	77,095	55.61%
Chinook Salmon	ea	457,000	704,000		1,161,000	891,464	59,949	101,862	0.000	1,053,275	90.72%	107,725	9.28%
Pacific Cod	mt	3,244,500	593,000	81,000	3,756,500	1,833,619	49,029	1,250,421	484,173	3,617,242	96.29%	139,258	3.71%

Pollock Pool Fishery Harvest by Group, Fourth Quarter as of December 31, 2005

CDQ Reserve Category	Units	BBEDC	Transferred In				Trans Out	Total After Transfers	CDQ Catch by Group					
			CBFA	CVRF	NSEDC	YDFDA			BBEDC	CBSFA	CVRF	NSEDC	YDFDA	Total
BS Pollock	mt	31,447.500	7,487.500	35,940.000	1,100.000	5,022.000	10.000	80,987.000	31,442.599	7,486.333	35,934.399	1,099.829	5,021.217	80,984.378
Pacific Cod	mt	3,244.500	34.000	162.000	3.000	23.000	0.000	3,466.500	68.720	16.454	78.399	1.452	11.131	176.156
BS Sablefish	mt	20.240	0.190	0.900		0.130	0.000	21.460	0.006	0.002	0.008		0.001	0.017
AI Sablefish	mt	9.800					0.000	9.800						
WAI Atka Mack 543	mt	225.000					0.000	225.000						
CAI Atka Mack 542	mt	399.450					0.000	399.450						
EAI/BS Atka Mack 541	mt	84.450	0.300	1.400		0.200	0.000	86.350	0.042	0.011	0.049	0.000	0.007	0.109
Yellowfin Sole	mt	1,632.240	6.000	29.000		4.000	0.000	1,671.240	0.868	0.200	0.968	0.000	0.133	2.169
Rock Sole	mt	715.990	20.000	95.000		13.000	0.000	843.990	11.515	2.775	13.180	0.000	1.804	29.273
BS Greenland Turbot	mt	40.600	0.410	1.810		0.270	0.000	43.090	0.487	0.132	0.584	0.000	0.087	1.290
AI Greenland Turbot	mt	11.4					0.000	11.400						
Arrowtooth Flounder	mt	198.000	4.000	20.000		3.000	0.000	225.000	4.970	1.169	5.847	0.000	0.877	12.863
Flathead Sole	mt	307.230	13.000	63.000		9.000	0.000	392.230	33.221	7.852	38.053	0.000	5.436	84.562
Other Flatfish	mt	63.120	2.400	11.250		1.600	0.000	78.370	1.602	0.385	1.803	0.000	0.256	4.046
Alaska Plaice	mt	126.000	0.300	1.400		0.200	0.000	127.900	0.163	0.041	0.190	0.000	0.027	0.420
BS POP	mt	22.050	0.190	0.900		0.130	0.000	23.270	0.299	0.071	0.336	0.000	0.049	0.754
WAI POP 543	mt	57.150					0.000	57.150						
CAI POP 542	mt	34.200					0.000	34.200						
EAI POP 541	mt	34.650					0.000	34.650						
BS Other Rockfish	mt	6.650	0.190	0.900		0.260	0.000	8.000	0.993	0.118	0.559	0.000	0.161	1.831
AI Other Rockfish	mt	7.920					0.000	7.920						
PSQ Reserve Category														
Zone 1 Red King Crab	ea	3,103.000	47.000	225.000		32.000	0.000	3,407.000						
Zone 1 Bairdi Crab	ea	17,640.000	310.000	1,490.000		210.000	0.000	19,650.000	3.460	0.825	3.966	0.000	0.559	8.810
Zone 2 Bairdi Crab	ea	51,233.000	400.000	1,940.000		270.000	0.000	53,843.000	6.607	1.555	7.540	0.000	1.049	16.751
Opilio Tanner Crab	ea	87,462.000	940.000	4,500.000		630.000	0.000	93,532.000						
Pacific Halibut	mt	75.240	1.200	5.400		0.800	0.000	82.640	1.580	0.395	1.778	0.000	0.263	4.017
Chinook Salmon	ea	457.000	109.000	522.000		73.000	0.000	1,161.000	414.597	98.886	473.566	0.000	66.227	1,053.275
Non-Chinook Salmon	ea	662.000	158.000	756.000		106.000	0.000	1,682.000						

Flatfish Pool Fishery Harvest by Group, Fourth Quarter as of December 31, 2005

CDQ Reserve Category	Units	BBEDC Initial Alloc	Transferred In			Transferred Out	Total After Transfers	CDQ Catch by Group				
			CBSFA	CVRF	YDFDA			BBEDC	CBSFA	CVRF	YDFDA	Total
Pacific Cod	mt	3,244.500	51.546	5.500	133.869	0.000	3,435.415	139.586	50.928	5.434	132.264	328.213
BS Sablefish	mt	20.240	3.500	4.500	13.500	0.000	41.740	0.398	0.091	0.117	0.352	0.959
AI Sablefish	mt	9.800	1.500	5.750	6.000	0.000	23.050	6.373	1.152	4.415	4.607	16.546
WAI Atka Mackerel 543	mt	225.000	118.000	215.000	269.500	0.000	827.500	221.714	116.796	212.806	266.749	818.064
CAI Atka Mackerel 542	mt	399.450	212.000	390.000	479.000	0.000	1,480.450	395.964	210.678	387.567	476.012	1,470.221
EAI/Atka Mackerel 541	mt	84.450	42.000	80.000	100.000	0.000	306.450	79.047	40.761	77.640	97.050	294.499
Yellowfin Sole	mt	1,632.240	523.000	276.000	2,067.000	0.000	4,498.240	1,596.276	521.783	275.358	2,062.188	4,455.604
Rock Sole	mt	715.990	185.000	229.000	650.000	0.000	1,779.990	549.305	165.777	205.205	582.461	1,502.749
BS Greenland Turbot	mt	40.600	4.000	23.000	18.000	0.000	85.600	2.438	0.519	2.982	2.334	8.272
AI Greenland Turbot	mt	11.400	2.000	9.000	6.000	0.000	28.400	8.162	1.570	7.064	4.709	21.505
Arrowtooth Flounder	mt	198.000	30.000	15.000	140.000	0.000	383.000	118.500	25.393	12.696	118.500	275.089
Flathead Sole	mt	307.230	70.000	122.000	254.500	0.000	753.730	180.869	60.290	105.076	219.196	565.431
Other Flatfish	mt	63.120	11.000	0.000	40.000	0.000	114.120	21.747	5.316	0.000	19.331	46.394
Alaska Plaice	mt	126.000	10.000	120.000	60.000	0.000	316.000	23.058	2.175	26.103	13.052	64.388
BS Pacific Ocean Perch	mt	22.050	3.500	18.800	10.500	0.000	54.850	1.466	0.292	1.570	0.877	4.206
WAI POP 543	mt	57.150	30.000	56.500	67.000	0.000	210.650	55.432	29.355	55.286	65.560	205.633
CAI POP 542	mt	34.200	18.000	33.500	40.000	0.000	125.700	31.792	16.981	31.603	37.735	118.110
EAI POP 541	mt	34.650	18.000	34.000	40.500	0.000	127.150	29.717	15.896	30.026	35.766	111.406
BS Other Rockfish	mt	6.650	0.500	2.500	4.250	0.000	13.900	0.107	0.053	0.267	0.454	0.882
AI Other Rockfish	mt	7.920	2.000	5.100	6.500	0.000	21.520	0.994	0.331	0.845	1.077	3.247
PSQ Reserve Category												
Zone 1 Red King Crab	ea	3,103.000	750.000	960.000	1,600.000	0.000	6,413.000	0.000	0.000	0.000	0.000	0.000
Zone 1 Bairdi Crab	ea	17,640.000	3,000.000	2,400.000	12,000.000	0.000	35,040.000	0.000	0.000	0.000	0.000	0.000
Zone 2 Bairdi Crab	ea	51,233.000	13,000.000	16,000.000	40,000.000	0.000	120,233.000	35.362	11.493	14.145	35.362	96.362
Opilio Tanner Crab	ea	87,462.000	15,000.000	20,000.000	45,000.000	0.000	167,462.000	0.000	0.000	0.000	0.000	0.000
Pacific Halibut (mort)	mt	75.240	10.000	6.000	40.000	0.000	131.240	23.490	5.777	3.466	23.109	55.842

The catch tables above show all of BBEDC's CDQ fisheries that occurred in 2005 regardless of whether they occurred in the fourth quarter. The summaries below only describe the CDQ fisheries that occurred in the Fourth Quarter only.

Pacific Cod Harvesting Activity:

1) Summary of harvesting activities by target fishery:

The Bristol Leader and Alaskan Leader harvested 313 MT of Pacific Cod during the fourth quarter. However, four sets on the Alaskan Leader were initially coded another CDQ group. The data has been corrected in the Observer Database; however, the changes have not been reflected in NMFS data for BBEDC. The 313 MTs reported this quarter include the misclassified data.

2) Summary of bycatch:

The main bycatch species were "Other Species," and Pollock.

Yellowfin sole Harvesting Activity:

1) Summary of harvesting activities by target fishery:

A total of 1,540 MTs of YFS were during the fourth quarter.

2) Summary of bycatch:

Bycatch was minimal, no crab PSQ encountered, 22 MTs of Halibut Mortality was reported.

Atka Mackerel/POP Harvesting Activity:

1) Summary of harvesting activities by target fishery:

United States Seafoods caught 1,584 CDQ Atka Mackerel in Areas 541, 542, and 543. In addition, roughly 295 MTs of POP was harvested in Areas 541, 542, and 543.

2) Summary of bycatch:

Pacific cod and Arrowtooth flounder were the main bycatch species.

Flathead sole Harvesting Activity:

1. Summary of harvesting activities by target fishery:

US Seafoods harvested 341 MTs of Flathead sole in the fourth quarter.

2. Summary of bycatch:

Pollock and Arrowtooth Flounder were the main bycatch species.

AI Sablefish Harvesting Activity:

1. Summary of harvesting activities by target fishery:

The sablefish caught this quarter was actually harvested in the third quarter; however the catch data was reflected in the fourth quarter.

2. Summary of bycatch:

There was no bycatch reported in this fishery.

4D Halibut Harvesting Activity:**3. Summary of harvesting activities by target fishery:**

A total of 139,650 pounds of 4E Halibut was harvested this quarter

4. Summary of bycatch:

There was no bycatch reported in this fishery.

BB Red King Crab Harvesting Activity:**5. Summary of harvesting activities by target fishery:**

A total of 346,300 BB Red King Crab was harvested in the quarter. The remaining poundage may be harvested in 2006.

6. Summary of bycatch:

There was no bycatch reported in this fishery.

B. Processing Report

Pacific Cod Processing Activities

The Pacific Cod processed on the Bristol Leader and Alaskan Leader was made into both collarbone on and collarbone off product forms.

Yellowfin sole Processing Activities

The Yellowfin sole that was harvested by US Seafoods' vessels was processed into H&G product forms.

Atka Mackerel/POP Processing Activities

The Atka Mackerel and POP that was harvested by US Seafoods' vessels was processed into H&G product forms.

Flathead sole Processing Report Activities

The flathead that was harvested by US Seafoods' vessels was processed into H&G product forms.

BS Sablefish Processing Activities

The BS Sablefish harvested was delivered to a shoreside processing facility.

BB Red King Crab Processing Activities

Icicle Seafood's processed the majority of BBEDC's CDQ crab into various product forms. Unisea processed a small amount as well.

Halibut Processing Report Activities

Catcher vessels caught all of the 4D halibut CDQ this quarter.

C. Compliance/Enforcement Issues

There were no compliance and enforcement issues reported this quarter.

D. Other Fishing Issues/Activities

No Other Fishing Issues/Activities to report.